

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-01303A  
Arizona American Water Company  
19820 N 7th St., Suite 201  
Phoenix, AZ 85024

SEWER

**RECEIVED**

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AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**ANNUAL REPORT**

FOR YEAR ENDING

12 31 2003

FOR COMMISSION USE

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## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Arizona-American Water Company (Sewer)</u>			
<b>Mailing Address</b> <u>19820 N 7th St., Suite 201</u>			
<u>Phoenix</u>		<u>AZ</u>	<u>85024</u>
(City)	(State)	(Zip)	
<u>(623) 445-2400</u>	<u>(623) 445-2451</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			
<b>Local Office Mailing Address</b> <u>19820 N 7th St., Suite 201</u>			
<u>Phoenix</u>		<u>AZ</u>	<u>85024</u>
(City)	(State)	(Zip)	
<u>(623) 445-2400</u>	<u>(623) 445-2451</u>	<u>N/A</u>	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>Ray L. Jones</u> <u>President</u>			
<u>(Name)</u>		<u>(Title)</u>	
<u>19820 N 7th St., Suite 201</u>		<u>Phoenix</u>	<u>AZ</u> <u>85024</u>
(Street)	(City)	(State)	(Zip)
<u>(623) 445-2400</u>	<u>(623) 445-2451</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			
<b>On Site Manager:</b> <u>Ray L. Jones</u> <u>President</u>			
<u>(Name)</u>		<u>(Title)</u>	
<u>19820 N 7th St., Suite 201</u>		<u>Phoenix</u>	<u>AZ</u> <u>85024</u>
(Street)	(City)	(State)	(Zip)
<u>(623) 445-2400</u>	<u>(623) 445-2451</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			

<b>Statutory Agent:</b> <u>Corporate Service Company</u>			
(Name)			
East Osborn Road	Phoenix	AZ	85014
(Street)	(City)	(State)	(Zip)
(800) 927-9800	N/A		N/A
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Attorney:</b> <u>Patricia A. Lyman</u>			
(Name)			
303 H Street, Suite 250	Chula Vista	CA	91910
(Street)	(City)	(State)	(Zip)
(619) 409-7723	N/A		N/A
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

### **OWNERSHIP INFORMATION**

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                              |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co Op (A)                                     |
| <input type="checkbox"/> Receivership R         | <input type="checkbox"/> Limited Liability Company                                 |
| <input type="checkbox"/> Other (Describe) _____ |  |

### **COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |  |  |
|-------------------------------------|--|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE             | <input type="checkbox"/> COCONINO          |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM              | <input type="checkbox"/> GREENLEE          |
| <input type="checkbox"/> LA PAZ     | <input checked="" type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA                | <input type="checkbox"/> PINAL             |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI             | <input type="checkbox"/> YUMA              |
| <input type="checkbox"/> STATEWIDE  |  |  |

**COMPANY NAME**

Arizona-American Water Company (Sewer)

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	126,451		126,451
352	Franchises	284,640		284,640
353	Land and Land Rights	906,190	18,022	888,168
354	Structures and Improvements	11,875,770	2,032,228	9,843,542
355	Power Generation Equipment			0
360	Collection Sewers - Force	2,133,117	1,939,591	193,526
361	Collection Sewers - Gravity	46,058,269	12,513,005	33,545,264
362	Special Collecting Structures	2,805,751	460,311	2,345,440
363	Services to Customers	7,867,833	276,189	7,591,644
364	Flow Measuring Devices	137,142	999	136,143
365	Flow Measuring Installations			0
370	Receiving Wells			0
371	Pumping Equip	619,670	-7,417	627,087
380	Treatment and Disposal Equip.	37,692,394	9,313,882	28,378,512
381	Plant Sewer			0
382	Outfall Sewer Lines	113,432	78,468	34,964
389	Other Plant and Misc. Equipment	17,574	44,157	-26,583
390	Office Furniture and Equipment	262,667	112,879	149,788
391	Transportation Equipment	237,063	190,988	46,075
392	Stores Equipment	11,270	881	10,389
393	Tools, Shop and Garage Equipment	193,509	15,907	177,602
394	Laboratory Equipment	93,155	20,402	72,753
395	Power Operated Equipment	883,882	2,955	880,927
396	Communication Equipment	372,841	66,387	306,454
397	Misc Equipment	90,124	8,177	81,947
398	Other Tangible Plant	60,230	1,014	59,216
	TOTALS	112,842,974	27,089,025	85,753,949

This amount goes on the Balance Sheet Acct. No. 108

**COMPANY NAME**

Arizona-American Water Company (Sewer)

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	126,451	*	
352	Franchises	284,640	*	
353	Land and Land Rights	906,190	*	2,574
354	Structures and Improvements	11,875,770	*	181,726
355	Power Generation Equipment		*	
360	Collection Sewers - Force	2,133,117	*	42,772
361	Collection Sewers - Gravity	46,058,269	*	796,759
362	Special Collecting Structures	2,805,751	*	231,949
363	Services to Customers	7,867,833	*	144,033
364	Flow Measuring Devices	137,142	*	865
365	Flow Measuring Installations		*	
370	Receiving Wells		*	
371	Pumping Equip	619,670	*	-7,446
380	Treatment and Disposal Equip.	37,692,394	*	1,627,133
381	Plant Sewer		*	
382	Outfall Sewer Lines	113,432	*	5,507
389	Other Plant and Misc. Equipment	17,574	*	
390	Office Furniture and Equipment	262,667	*	12,130
391	Transportation Equipment	237,063	*	59,242
392	Stores Equipment	11,270	*	440
393	Tools, Shop and Garage Equipment	193,509	*	13,060
394	Laboratory Equipment	93,155	*	3,451
395	Power Operated Equipment	883,882	*	650
396	Communication Equipment	372,841	*	33468
397	Misc Equipment	90,124	*	4594
398	Other Tangible Plant	60,230	*	
	TOTALS	112,842,974	0	3,152,907



**BALANCE SHEET (water and sewer)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$1,760,355	\$960,853
132	Special Deposits	4,071	4,071
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	2,737,010	3,229,367
146	Notes/Receivables from Associated Companies	0	172,736
151	Plant Material and Supplies	89,247	48,659
162	Prepayments	250,697	348,795
174	Miscellaneous Current and Accrued Assets	84,550,730	86,780,354
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$89,392,110</b>	<b>\$91,544,836</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$337,587,883	\$414,388,418
103	Property Held for Future Use	138,682	138,682
105	Construction Work in Progress	13,513,282	14,075,593
108	Accumulated Depreciation - Utility Plant	-71,181,624	-81,338,557
121	Non-Utility Property	140,271	174,070
122	Accumulated Depreciation - Non Utility	-49,427	-49,427
	<b>TOTAL FIXED ASSETS</b>	<b>\$280,149,067</b>	<b>\$347,388,779</b>
	<b>TOTAL ASSETS</b>	<b>\$369,541,177</b>	<b>\$438,933,615</b>

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

<b>COMPANY NAME</b>	Arizona-American Water Company (Sewer)
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Breakdown of Certain Balance Sheet Accounts Between Water and Sewer

	<b>FIXED ASSETS</b>	<b>Water</b>	<b>Sewer</b>	<b>Total</b>
101	Utility Plant in Service	\$301,545,442	\$112,842,975	\$414,388,418
103	Property Held for Future Use	138,682	0	\$138,682
105	Construction Work in Progress	9,114,491	4,961,102	\$14,075,593
108	Accumulated Depreciation - Utility Plant	-54,249,532	-27,089,025	-\$81,338,557
121	Non-Utility Property	174,070	0	\$174,070
122	Accumulated Depreciation - Non Utility	-49,427	0	-\$49,427
	<b>TOTAL FIXED ASSETS</b>	<b>\$256,673,727</b>	<b>\$90,715,052</b>	<b>\$347,388,779</b>



**BALANCE SHEET (CONTINUED) (water and sewer)**

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$811,773	\$7,139,995
232	Notes Payable (Current Portion)	31,276	33,084
234	Notes/Accounts Payable to Associated Companies	12,308,261	16,082,110
235	Customer Deposits	162,467	309,082
236	Accrued Taxes	488,530	1,529,306
237	Accrued Interest	1,258,145	1,296,017
241	Miscellaneous Current and Accrued Liabilities	6,532,468	6,799,288
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$21,592,920</b>	<b>\$33,188,882</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$173,824,405	\$173,792,930
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	0	0
252	Advances in Aid of Construction	49,213,869	102,201,525
255	Accumulated Deferred Investment Tax Credits	78,706	74,986
271	Contributions in Aid of Construction	10,628,363	14,003,667
272	Less: Amortization of Contributions	-3,046,610	-3,626,067
281	Accumulated Deferred Income Tax	1,812,119	3,982,019
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$58,686,447</b>	<b>\$116,636,129</b>
	<b>TOTAL LIABILITIES</b>	<b>\$254,103,772</b>	<b>\$323,617,942</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$522,880	\$522,880
211	Other Paid In Capital	114,468,228	114,468,228
215	Retained Earnings	446,297	324,565
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	<b>\$115,437,405</b>	<b>\$115,315,673</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$369,541,177</b>	<b>\$438,933,615</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$10,720,408	\$13,123,587
522	Measured Revenues		
536	Other Wastewater Revenues	877,526	1,437,856
	<b>TOTAL REVENUES</b>	<b>\$11,597,934</b>	<b>\$14,561,443</b>
	<b>OPERATING EXPENSES</b>		
701	Salaries and Wages	\$731,473	\$696,765
710	Purchased Wasterwater Treatment		
711	Sludge Removal Expense	2,891,584	3,744,127
715	Purchased Power	300,790	490,727
716	Fuel for Power Production		
718	Chemicals	272,158	191,975
720	Materials and Supplies	101,512	157,915
731	Contractual Services - Professional	67,035	163,374
735	Contractual Services - Testing	38,025	38,103
740	Contractual Services - Other		
750	Rents	51,268	82,183
755	Insurance Expense	101,132	16,663
765	Regulatory Commission Expense - Rate Case		
775	Miscellaneous Expense	515,471	255,590
403	Depreciation Expense	2,949,248	2,418,238
408	Taxes Other Than Income	56,388	55,637
408.11	Property Taxes	485,376	482,443
409	Income Tax	0	
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$8,561,460</b>	<b>\$8,793,740</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$3,036,474</b>	<b>\$5,767,703</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	267,921	538,867
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$267,921</b>	<b>\$538,867</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$3,304,395</b>	<b>\$6,306,570</b>

**COMPANY NAME**

Arizona-American Water Company (Sewer)

**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

n/a

Meter Deposits Refunded During the Test Year

n/a

**COMPANY NAME**

Arizona-American Water Company - Sun City(Sewer)

**WATER COMPANY PLANT DESCRIPTION****TREATMENT FACILITY**

<b>TYPE OF TREATMENT</b> (Extended Aerations, Step Aerations, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	
<b>DESIGN CAPACITY OF PLANT</b> (gallons Per Day)	

**LIFT STATION FACILITIES**

Location	Quantity	Depth (ft.)	Capacity (GPD)	Net Vol. (cu yds)
Baptist Valley L. S. 11577 W. Peoria Ave	2	7.5	100	1700
Youngstown L. S. 11602 W. Peoria Ave	2	23	700	4200
111th Ave L. S. 111th Avenue at Olive	2	3	160	1000
Coyote Lakes 17280 N. 115th Ave	2	40	500	7000
Citrus PT L. S. 16401 N 115th Ave	2	20	500	1200
Paradise Resort L. S. 10950 W. Union Hills	2	7.5	700	7900

**FORCE MAINS**

Size	Material	Length (feet)
4 inch	Various	2,983
6 inch	Various	2,037
8 inch	Various	12,302
10 inch	Various	10,503
12 inch	Various	10,410
	<b>TOTAL =</b>	<b>38,235</b>

**MANHOLES****CLEANOUTS**

	Quantity	Quantity
Standard	4469	752
Drop		

**COMPANY NAME**

Arizona-American Water Company - Sun City West (Sewer)

**WATER COMPANY PLANT DESCRIPTION****TREATMENT FACILITY**

<b>TYPE OF TREATMENT</b> (Extended Aerations, Step Aerations, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Activated sludge, N/DN, sand filtration
<b>DESIGN CAPACITY OF PLANT</b> (gallons Per Day)	3,140,000

**LIFT STATION FACILITIES**

Location	No. of Pumps	Capacity (gpm)	Flow (gpm)	Capacity (gals)
Bell Rd. L. S. Bell Rd. & El Mirage	4	250	2,800	49,400

**FORCE MAINS**

Size	Material	Length (feet)
18 inch	ACP	18,578

**MANHOLES****CLEANOUTS**

Quantity	Quantity
Standard	2,657
Drop	410

<b>COMPANY NAME</b>	Arizona-American Water Company - Treatco (Sewer)
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## WATER COMPANY PLANT DESCRIPTION

### TREATMENT FACILITY

<b>TYPE OF TREATMENT</b> (Extended Aerations, Step Aerations, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended aeration with anoxic zone and Zenon microfiltration system.
<b>DESIGN CAPACITY OF PLANT</b> (gallons Per Day)	1,500,000

### LIFT STATION FACILITIES

Station Name	Number of Pumps	Number of Lifts	Capacity (GPD)	Total Capacity (GPD)
Influent Lift Station	2	30	2,932	9,700
Reject Water Lift Station	2	20	1,400	6,500

### FORCE MAINS

Size	Material	Length (feet)
4 inch		1,385

### MANHOLES

### CLEANOUTS

Type	Quantity	Quantity
Standard	296	
Drop		

<b>COMPANY NAME</b>	Arizona-American Water Company - Distco (Sewer, incl. Agua Fria Sewer)
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## WATER COMPANY PLANT DESCRIPTION

### TREATMENT FACILITY

<b>TYPE OF TREATMENT</b> (Extended Aerations, Step Aerations, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Russell Ranch: Activated sludge, N/DN
<b>DESIGN CAPACITY OF PLANT</b> (Gallons Per Day)	60,000

### LIFT STATION FACILITIES

Station	Capacity	Location	Notes

### FORCE MAINS

Size	Material	Length (feet)
6 inch	n/a	5,252

### MANHOLES

### CLEANOUTS

	Quantity	Quantity
Standard	1,835	209
Drop		

**COMPANY NAME**

Arizona-American Water Company - Mohave (Sewer)

**WATER COMPANY PLANT DESCRIPTION****TREATMENT FACILITY**

<b>TYPE OF TREATMENT</b> (Extended Aerations, Step Aerations, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.) Trickling Filter, Septic Tank, Wetland, Etc.)	Extended aeration    Trickling filter
<b>DESIGN CAPACITY OF PLANT</b> gallons Per Day gallons Per Day	 112,000 250,000

**LIFT STATION FACILITIES**

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity(gals)
Mountain View Drive	2	7.5	114	2,100
Lago Cove	2	3	17	1,000

**FORCE MAINS**

Size	Material	Length (feet)
4 inch	PVC	3,000
6 inch		

**MANHOLES****CLEANOUTS**

Type	Quantity	Quantity
Standard	340	14
Drop	2	



**COMPANY NAME**

Arizona American Water Company - Sun City (Sewer)

**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)**
**COLLECTION MAINS**

Size (Inches)	Material	Length (Feet)
4	Various	122
6	Various	9,795
8	Various	1,210,442
10	Various	68,459
12	Various	31,497
15	Various	16,282
18	Various	10,442
21	Various	8,053
24	Various	0
27	Various	1,310
30	Various	3,247
33	Various	839
36	Various	865
Undetermined	Various	61,665
<b>TOTAL =</b>		<b>1,423,018</b>

**SERVICES**

Size (Inches)	Material	Quantity
4	n/a	n/a
6	n/a	n/a
8	n/a	n/a
12	n/a	n/a
15	n/a	n/a

For the following three items, list the utility owned assets in each category.

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	N/A
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, etc.)	N/A
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, etc.)	N/A
<b>STRUCTURES</b> (Buildings, Fences Etc)	N/A
<b>OTHER</b> Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	99th Avenue metering station, various tools and equipment associated with wastewater collection

**COMPANY NAME**

Arizona American Water Company - Sun City West (Sewer)

**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)****COLLECTION MAINS**

Size (inches)	Material	Length (feet)
4	Various	974
6	Various	1,841
8	Various	820,857
10	Various	22,964
12	Various	17,126
15	Various	20,090
18	Various	19,639
21	Various	5,934
24	Various	2,440
27	Various	0
30	Various	0
33	Various	0
36	Various	2,624
Undetermined	Various	6,950
<b>TOTALS =</b>		<b>921,439</b>

**SERVICES**

Size (inches)	Material	Quantity
4		
6		
8		
12		
15		

For the following three items, list the utility owned assets in each category.

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	Aerobic Digesters (3), surface disposal on-site
<b>DISINFECTION EQUIPMENT</b> (chlorinator Ultra-Violet, Etc.)	Hypochlorite injections at filter effluent
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Rapid sand filter
<b>STRUCTURES</b> (Buildings, Fences Etc)	Admin/Maintenance/Control Building at Treatment Plant; VFD/Control Building at Bell Road Lift Station
<b>OTHER</b> Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	Various tools and equipment associated with wastewater collection

**COMPANY NAME**

Arizona American Water Company - Treatco (Sewer)

**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)****COLLECTION MAINS**

Size (inches)	Material	Length (feet)
4	n/a	0
6	n/a	0
8	PVC	27,218
10	PVC	18,556
12	PVC	15,544
15	PVC	3,225
18	PVC	9,933
21	PVC	2,171
24	PVC	1,070
30	n/a	0
Undetermined	PVC	10,280
<b>TOTAL =</b>		<b>87,997</b>

**SERVICES**

Size (inches)	Material	Quantity
4		
6		
8		
12		
15		

For the following three items, list the utility owned assets in each category.

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	One Belt filter press, 1.5 meter belt
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	Chlorine (NaOC1) injection with chlorine contact chamber
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Zenon Zee-Weed 500 microfiltration system
<b>STRUCTURES</b> (Buildings, Fences Etc)	Common administration building shared with water plant, headworks building, process building, solids building, perimeter wall. One 1,000,000 gallon non-potable/reclaimed water storage reservoir
<b>OTHER</b> Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	Various tools and equipment associated with wastewater treatment. One 2,000 kW generator.

**COMPANY NAME**

Arizona American Water Company - Distco (Sewer, Incl. Agua Fria Sewer)

**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)****COLLECTION MAINS**

Size (in inches)	Material	Estimated Feet	
4	N/A	-	
6	PVC	770	
8	PVC	332,351	
10	PVC	5,003	
12	PVC	11,553	
15	PVC	2,721	
18	PVC	-	
21	PVC	9,868	
24	PVC	-	
30	PVC	-	
Undetermined	PVC	88,470	
	<b>TOTAL =</b>	<b>450,736</b>	

**SERVICES**

Size (in inches)	Material	Quantity
4		
6		
8		
12		
15		

For the following three items, list the utility owned assets in each category.

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	N/A
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	Sodium Hypochlorite
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	N/A
<b>STRUCTURES</b> (Buildings, Fences Etc)	N/A
<b>OTHER</b> Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	Various tools and equipment associated with wastewater collection

**COMPANY NAME**

Arizona American Water Company - Mohave (Sewer)

**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)****COLLECTION MAINS**

Size (in inches)	Material	Length (in feet)
4	n/a	n/a
6	PVC	201
8	PVC	84,861
10	PVC	7,426
12	PVC	12,300
15	PVC	6,086
18	n/a	n/a
21	n/a	n/a
24	n/a	n/a
30	n/a	n/a

**SERVICES**

Size (in inches)	Material	Quantity
4	PVC	1435
6	n/a	n/a
8	PVC	2
12	n/a	n/a
15	n/a	n/a

For the following three items, list the utility owned assets in each category.

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	N/A
<b>DISINFECTION EQUIPMENT</b> (chlorinator Ultra-Violet, Etc.)	Chlorinator
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Slow sand filter
<b>STRUCTURES</b> (Buildings, Fences Etc)	600' chain link fence, building over aeration plant, blower building with lab
<b>OTHER</b> Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	150 KW Cat gen-set, 24 hr turbidity meter, miscellaneous lab equipment

**COMPANY NAME**

Arizona American Water Company - Sun City (Sewer)

**WASTEWATER FLOWS**

MONTH	WASTEWATER FLOW	PEAK FLOW
JANUARY	N/A	133.44
FEBRUARY	N/A	123.78
MARCH	N/A	137.14
APRIL	N/A	121.53
MAY	N/A	110.66
JUNE	N/A	101.02
JULY	N/A	101.61
AUGUST	N/A	107.03
SEPTEMBER	N/A	111.06
OCTOBER	N/A	120.92
NOVEMBER	N/A	133.55
DECEMBER	N/A	145.82
<b>TOTALS =</b>	<b>1447.56</b>	<b>55.240</b>

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE**

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	<b>N/A</b>
<b>Wastewater Inventory Number</b> (all wastewater systems are assigned an inventory number)	<b>100339</b>
<b>Groundwater Permit Numbers</b>	<b>N/A</b>
<b>ADEQ Aquifer Protection Permit Number</b>	<b>N/A</b>
<b>ADEQ Reuse Permit Number</b>	<b>N/A</b>
<b>EPA NPDES Permit Number</b>	<b>N/A</b>

<b>COMPANY NAME</b>	Arizona American Water Company - Sun City West (Sewer)
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**WASTEWATER FLOWS**

MONTH	PERCENTAGE REUSE	TOTAL TONNES SEWAGE FLOW	SEWAGE FLOW IN PEAK DAY
JANUARY	N/A	79.36	3.38
FEBRUARY	N/A	73.010	2.85
MARCH	N/A	80.74	2.86
APRIL	N/A	72.38	2.86
MAY	N/A	66.72	2.56
JUNE	N/A	59.18	2.3
JULY	N/A	57.45	2.07
AUGUST	N/A	58.72	2.5
SEPTEMBER	N/A	63.1	2.94
OCTOBER	N/A	67.68	2.46
NOVEMBER	N/A	75.06	4.48
DECEMBER	N/A	74.9	2.64
<b>TOTALS =</b>		<b>828.3</b>	<b>33.9</b>

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	<b>Ground Water Recharge</b>
<b>Wastewater Inventory Number</b> (all wastewater systems are assigned an inventory number)	<b>102667</b>
<b>Groundwater Permit Numbers</b>	<b>N/A</b>
<b>ADEQ Aquifer Protection Permit Number</b>	<b>P-102667</b>
<b>ADEQ Reuse Permit Number</b>	<b>N/A</b>
<b>EPA NPDES Permit Number</b>	<b>N/A</b>

**COMPANY NAME**

Arizona American Water Company - Treat Co (Sewer)

**WASTEWATER FLOWS**

<b>MONTH/YEAR</b>	<b>NUMBER OF SERVICES</b>	<b>TOTAL MONTHLY SEWAGE FLOW</b>	<b>SEWAGE FLOW ON PEAK DAY</b>
JANUARY	N/A	21.065	1.006
FEBRUARY	N/A	21.007	1.021
MARCH	N/A	26.276	1.022
APRIL	N/A	24.614	1.093
MAY	N/A	25.809	1.241
JUNE	N/A	24.332	1.158
JULY	N/A	27.052	1.175
AUGUST	N/A	29.462	1.176
SEPTEMBER	N/A	31.113	1.544
OCTOBER	N/A	30.599	1.395
NOVEMBER	N/A	26.833	1.166
DECEMBER	N/A	28.602	1.261
<b>TOTALS =</b>		<b>316.764</b>	<b>14.258</b>

(million gallon units)

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE**

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	<b>Reuse and recharge</b>
<b>Wastewater Inventory Number</b> (all wastewater systems are assigned an inventory number)	<b>103259</b>
<b>Groundwater Permit Numbers</b>	<b>N/A</b>
<b>ADEQ Aquifer Protection Permit Number</b>	<b>P-103259</b>
<b>ADEQ Reuse Permit Number</b>	<b>R-103259</b>
<b>EPA NPDES Permit Number</b>	<b>N/A</b>



**COMPANY NAME**

Arizona American Water Company -Distco (Sewer)

**WASTEWATER FLOWS**

MONTH/YEAR	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
JANUARY	N/A	21.065	1.006
FEBRUARY	N/A	21.034	1.021
MARCH	N/A	26.295	1.022
APRIL	N/A	24.641	1.093
MAY	N/A	25.836	1.241
JUNE	N/A	24.359	1.158
JULY	N/A	27.084	1.175
AUGUST	N/A	29.505	1.176
SEPTEMBER	N/A	31.188	1.544
OCTOBER	N/A	30.679	1.395
NOVEMBER	N/A	26.930	1.166
DECEMBER	N/A	28.707	1.261
<b>TOTALS =</b>		<b>317.323</b>	<b>14.258</b>

(million gallon units)

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE**

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	<b>Reuse and recharge</b>
<b>Wastewater Inventory Number</b> (all wastewater systems are assigned an inventory number)	<b>103259</b>
<b>Groundwater Permit Numbers</b>	<b>N/A</b>
<b>ADEQ Aquifer Protection Permit Number</b>	<b>N/A</b>
<b>ADEQ Reuse Permit Number</b>	<b>N/A</b>
<b>EPA NPDES Permit Number</b>	<b>N/A</b>

**COMPANY NAME**

Arizona American Water Company - Mohave (Sewer)

**WASTEWATER FLOWS**

<b>MONTH/YEAR</b>	<b>NUMBER OF SERVICES</b>	<b>TOTAL MONTHLY SEWAGE FLOW</b>	<b>SEWAGE FLOW ON PEAK DAY</b>
JANUARY	N/A	2.805	0.1098
FEBRUARY	N/A	2.725	0.136
MARCH	N/A	3.012	0.1269
APRIL	N/A	2.853	0.1114
MAY	N/A	2.951	0.1171
JUNE	N/A	2.809	0.1189
JULY	N/A	2.966	0.1212
AUGUST	N/A	3.327	0.1278
SEPTEMBER	N/A	2.924	0.125
OCTOBER	N/A	4.018	0.167
NOVEMBER	N/A	3.363	0.1455
DECEMBER	N/A	3.5082	0.1432
<b>TOTAL</b>		<b>37.2612</b>	<b>1.5498</b>

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE**

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	<b>Re-use/ Evap. Ponds</b>
<b>Wastewater Inventory Number</b> (all wastewater systems are assigned an inventory number)	<b>38-158</b>
<b>Groundwater Permit Numbers</b>	<b>N/A</b>
<b>ADEQ Aquifer Protection Permit Number</b>	<b>P102181</b>
<b>ADEQ Aquifer Protection Permit Number</b>	<b>P105010</b>
<b>ADEQ Reuse Permit Number</b>	<b>R102181</b>
<b>EPA NPDES Permit Number</b>	<b>N/A</b>

### **STATISTICAL INFORMATION**

Total number of customers	41,030	
Total number of gallons treated	2,592,581	gallons

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported n/a

Estimated or Actual Federal Tax Liability n/a

State Taxable Income Reported n/a

Estimated or Actual State Tax Liability n/a

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances n/a

Amount of Gross-Up Tax Collected n/a

Total Grossed-Up Contributions/Advances n/a

Decision No. 55774 states , in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member if a limited liability company or the sole proprietor, if a sole proprietorship.

N/A

SIGNATURE

DATEN/A

PRINTED NAME

TITLE

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2003 was: \$470,105.12

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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VERIFICATION  
AND  
SWORN STATEMENT

Intrastate Revenues Only

APR 15 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)

Maricopa

NAME (OWNER OR OFFICIAL) TITLE

Joseph D Harris, Asst. Treasurer

COMPANY NAME

Arizona American Water Company

ARIZONA CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS,  
PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED  
THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT  
STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD  
COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING  
SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-  
401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS  
OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE  
UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)
\$ 14,561,443

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 0.00  
IN SALES TAXES BILLED, OR COLLECTED

\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)

Joseph D Harris, Asst Treasurer  
SIGNATURE OF OWNER OR OFFICIAL  
623 - 445 - 2430  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14th

DAY OF

COUNTY NAME	<u>MARICOPA</u>
MONTH	<u>April</u> 2004



Amy K. Yates  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5-15-06

VERIFICATION  
AND  
SWORN STATEMENT

**RESIDENTIAL REVENUE**  
**Intrastate Revenues Only**

APR 15 2004

ARIZONA CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)

Maricopa

NAME (OWNER OR OFFICIAL) TITLE

Joseph D Harris, Asst. Treasurer

COMPANY NAME

Arizona American Water Company

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS,  
PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED  
THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT  
STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD  
COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING  
SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01  
ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS  
OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS  
RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 10,271,243

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 0.00

IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED.

*Joseph D Harris Asst Treasurer*  
SIGNATURE OF OWNER OR OFFICIAL

623 - 445 - 2430

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th

DAY OF



NOTARY PUBLIC NAME Amy K. Yates  
COUNTY NAME MARICOPA  
MONTH April YEAR 2004

*Amy K. Yates*  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5-15-06